The Story Behind the Alliance

Armenia Media Strengthening Alliance
Europe & Eurasia Region

The Idea

In Armenia, a single company commands 85% of all newspaper distribution. This private company owns nearly all the media kiosks in Armenia, unduly influencing content and depressing the market for alternative press. The distribution company essentially operates as a monopoly.

The answer to this development issue was an activity reflecting the tenets of the USAID Global Development Alliance – a business model that enlists multiple stakeholders across the public and private sector.

The Eurasia Foundation, with USAID, the Cafesjian Family Foundation, and the Open Society Institute (OSI), created the Media Strengthening Program in 1997 to strengthen independent print media within the country and develop a distribution system to eliminate the current monopoly over distribution. The alliance is primarily focused on promoting private sector growth to provide financing for an independent printing press as an alternative to the state-run printing press for newspapers.

At the time this alliance was coming together, Eurasia Foundation was looking beyond its funding horizon and saw the GDA business model - a method of development that enlists multiple stakeholders across the public and private sector - as an appropriate mechanism to generate new activity. With encouragement from USAID/Armenia, the foundation sought funding and collaboration from the local private sector.

In taking on some of the functions of alliance convener, USAID exhibited an enormous amount of trust and confidence in the organization. The Yerevan-based country representative office of the Eurasia Foundation was especially effective in demonstrating that forming alliances could address local community needs through shared action and shared definition of development issues.

In searching for suitable alliance partners, Eurasia Foundation selected the Open Society Institute (OSI) for its common objective of promoting free press. The Open Society Institute is a private operating and grant making foundation based in New York City that serves as the hub of the Soros Foundation Network, a group of autonomous foundations and organizations in more than 50 countries. In partnering with OSI, the Eurasia Foundation not only succeeded in enlisting a new partner to the alliance, but also successfully diversified its funding base.

USAID/Armenia has been particularly successful with its Media Strengthening Program and encourages the use of contractors and implementing partners to create alliances. As Armenia has experienced, once a contractor or implementing partner have proven themselves, the Mission has a certain comfort level to shift responsibility to the contractor and thus free mission staff to work on other needs. This is especially valuable in missions with few staff.

First Steps

USAID/Armenia chose to work with the Eurasia Foundation because the two entities share critical common objectives in the region. Although the administrative responsibilities lie with foundation, the two organizations remain in close contact. Regular meetings allow for structured communications and monitoring, while granting the Eurasia Foundation freedom to continue developing the initiative.

To determine how best to develop the alliance, the Eurasia Foundation took on the role of implementing partner and convener of additional alliance partners. The foundation contacted local private sector organizations, led meetings, and held discussions with potential partners. A variety of potential partners were contacted, including larger firms with experience in corporate social responsibility (CSR), the Armenian diaspora living in the US, international foundations, the United Nations, and private Armenian businesses. The American Ambassador to Armenia was especially supportive, contributing to the efforts by hosting receptions and maintaining direct contact with the Armenian diaspora overseas.

Partner Selection

The Main Partners
The Eurasia Foundation was identified for the Media Strengthening Program in 1997. From there, the foundation sought partners with whom to form an alliance and in 2003 selected the Open Society Institute (OSI) because of their shared objectives in the region for the creation of an alternative print media distribution system. Cafesjian Family Foundation was another organization that showed interest in building the alliance.

Both USAID and the Eurasia Foundation have been concentrating efforts on forming partnerships with the non-profit sector, as well. Although there are no local foundations currently part of the alliance, there are a number of large private entities with CSR programs. The Eurasia Foundation approached many diaspora-based donors/organizations directly.

Not all organizations were accepted as alliance partners. If participation was rejected, one reason was that alliance objectives were not a priority for the potential partner. Eurasia Foundation has a history of engaging partners that would help them in meeting alliance funding requirements. In light of the 2004 GDA RFA, the foundation has accelerated efforts in finding partners and forming alliances. Although the Eurasia Foundation is responsible for selecting alliance members, USAID/Armenia plays a role in the selection process by monitoring potential partners.

It is important to carry out due diligence on a continual basis when engaging with new partners and even when activities are ongoing. If the Mission has reason to believe that a potential partner is not reputable, or if its objectives do not align with those of USAID/Armenia, the Mission has the final authority on whether or not the partner should be brought into the alliance.

USAID and the GDA concept

The Eurasia Foundation and the Open Society Institute were natural partners in the concept of forming a public-private alliance with USAID. The two organizations had no difficulty understanding the GDA concept. Each has had a long history with USAID, and each organization has been leveraging funding from private sector entities for joint projects for many years.

The Process

Joint Planning and Joint Decision-Making
USAID manages the alliance, deferring to Eurasia Foundation for day-to-day implementation. The Open Society Institute fulfills the primary role of funder and was brought in early in the development of the alliance. A Project Board, composed of two members each from OSI and Eurasia Foundation, carries out the overall performance review and monitoring of activities.

OSI is not involved in project implementation. However, the foundation updates OSI and reports to USAID on a regular basis – approximately every two to three weeks. Full reporting is directed to the Project Board every two months.

Pooled vs. Parallel Funding
For this alliance, a parallel funding approach, in which partner resources are held and tracked separately, served to be the most appropriate way to fund activities. OSI funds were directed to USAID's existing implementing partner, Eurasia Foundation/Yerevan.

(Note the rather small amount of resources put toward this alliance. It shows that alliances do not need to be large in either scope or resources.)

Managing Relationships
USAID/Armenia stresses open and honest communication between partners. By having a good relationship with its partners and respecting one another, managing the alliance has been a smooth process. Additionally, by having a good working relationship with its partners, the Mission has found it easier to involve more people in the initiative.

Conclusions/Lessons Learned

➢ *Attracting Partners* Developing a website featuring the GDA model and customizing information about the USAID mission created interest among potential new partners as well as the GDA business model itself.

➢ *Proactive Development Outreach* Holding a community meeting to bring ideas to the table can ramp up existing ideas or generate new ones. Although these ideas may not come with funding, one can use these ideas as proposals to seek support.

➢ *Having a GDA Champion* It is pivotal to have an outreach person to act as a 'broker' for alliances.

➢ *Using the GDA model* The GDA model is a tool and intended to promote creative thinking.
   o Encourage the Ambassador and other people in influential positions to establish relationships with diaspora populations
   o An alliance builder at the Mission level is usually necessary to conduct the time-intensive tasks involved in coordinating the efforts of multiple stakeholders
   o Take advantage of the in-depth knowledge the GDA Secretariat provides

➢ *Sharing Information*
   o Among alliance members, use a listserv or other means to disseminate information about meetings and activities related to alliance building.

- It is important to share information within USAID. Often, missions are not aware that what they have is considered an alliance, or a potential alliance. There may be potential for small activities to develop into larger alliances. In fact, the Missions may already have activities that could develop into alliances.

➢ *USAID's Comparative Advantage.* Take advantage of USAID's significant donor presence in the country and significant expertise in development.

➢ *Start Small and Grow the Alliance.* Allow an alliance to start small. This provides a trial period for both the mission and partners.

➢ *Capitalizing on Differences in Partners.* Recognize that not all partners will act in a similar fashion. There is no single recipe for developing a partnership. The different perspectives and capacity of each partner gives the alliance depth and diversity.

Lessons learned from the implementing partner
➢ Partner roles and responsibilities must be established and made operational in terms of governance, reporting, monitoring and evaluation, and scope of work.
➢ Reporting requirements and timelines must be clear
➢ If a board panel is required, the selection process and requirements of the composition must be transparent.
➢ Given the capability of USAID, they should initiate more contact between various players in each country – it invites private partners into the process and gets a variety of people talking.

Information for this learning story was provided by Tracy Thoman and Yeva Hyusyan, USAID/Armenia and Ara Nzinyan, Eurasia Foundation/Armenia.